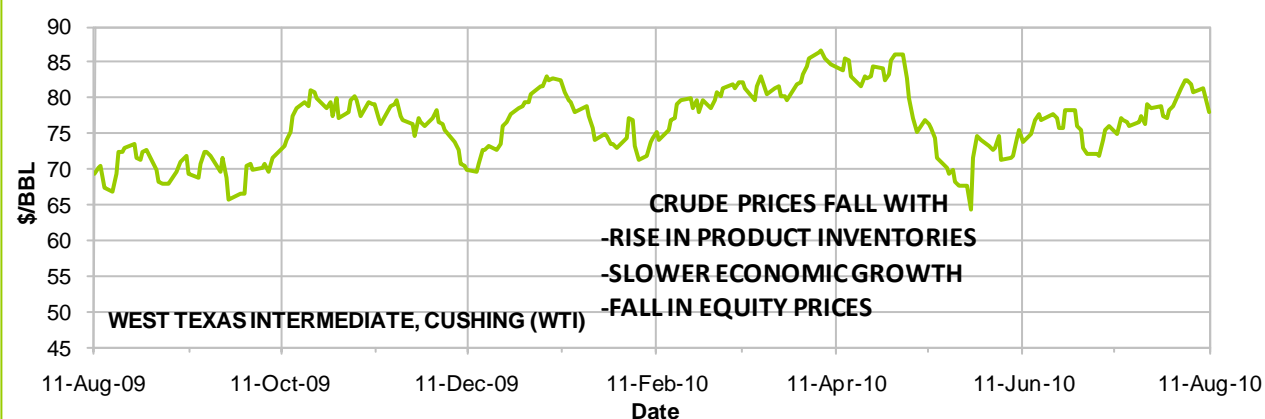


Crude Oil



Crude inventories fell again this week. Although inputs to refineries fell by 3.3% (refinery utilization rates fell by 3.1 percentage points), decreases in oil production and imports were even greater. The 3.0 million barrel decline in inventories was almost twice the expected 1.6 million barrel decline and 20 times the 5-year average decline of 0.15 million barrels. Crude stocks are only 0.9% above last year but are 8.3% above the 5-year average. Inventory levels are at their highest level for this date since 1990.

Crude prices fell this week following the gain in refined product inventories, a more pessimistic economic outlook, and declines in equity prices. Spot prices and futures were down \$4.40 and \$4.00 for the week. The spot price settled at \$78.09, \$8.66 (12.5%) higher than a year ago. Futures prices were at \$80.86, \$5.76 (7.7%) higher than last year. Both prices are about 45% below 2008's peak price.

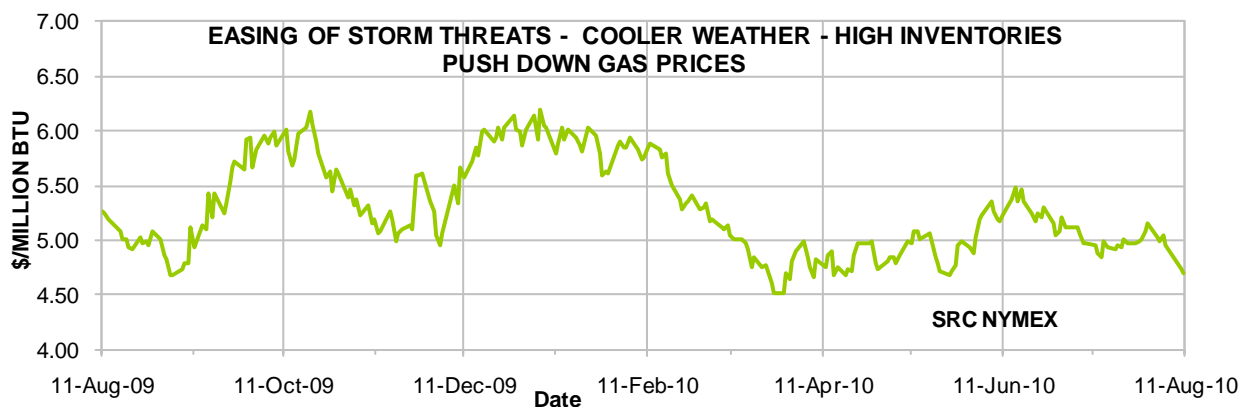


Natural gas



Inventories rose by 37 BCF this week. This was 2.8% above the expected injection level of 36 BCF but it was 4.8% below the 5-year average gain of 39 BCF. Over the past 21 weeks inventories have grown by 1370 BCF, 11.9% higher than the normal gain of 1225 BCF. At 2,985 BCF, this week's inventory level is 7.9% above the 5-year average but trails last year's record high of 3,143 BCF by 5.0%. Inventories are at near record levels despite U.S. cooling degrees days running 20% above normal.

Prices fell for the week despite disappointing storage injections the previous 7 weeks as tropical storm threats lessen, weather cools, and industrial demand remains weak. Futures prices settled at \$4.700 per million BTU, down 34.0 cents for the week and 10.6% lower than a year ago. They are 64.8% below their 2008 peak. Spot prices fell by 40.0 cents this week. At \$4.380 per million BTU, they are 23.7% higher than a year ago but 67.1% below their 2008 peak price.

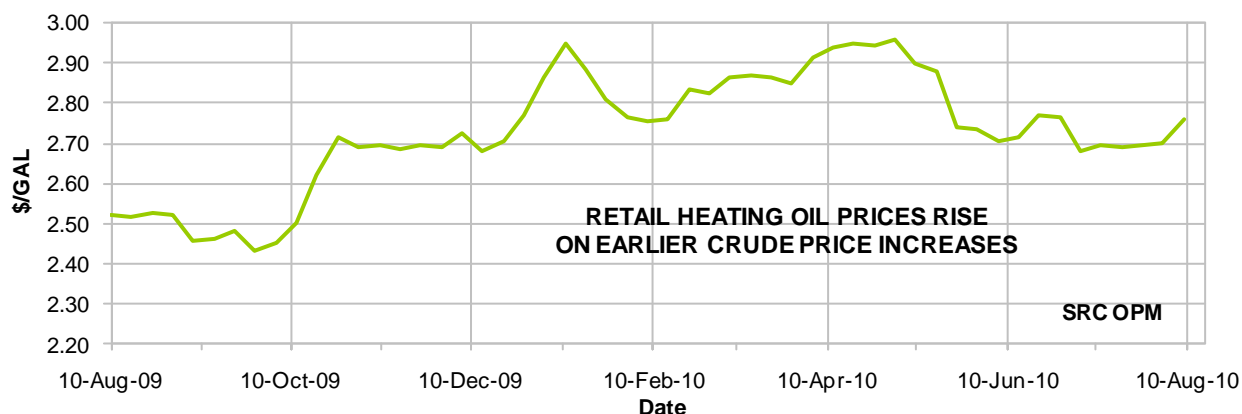


Heating oil



Distillate stocks grew by 3.5 million barrels this past week. A 1.8% decline in demand and a 68% surge in imports offset a 0.2% drop in production. The increase was almost 3 times the expected gain of 1.3 million and almost 6 times the 5-year average gain of 0.6 million. Inventory levels are 6.8% above last year and 26.5% above the five-year average

The 12 month strip fell by 11.6 cents this week as prices followed crude downward. It is now at \$2.186/gal, 15.6 cents (7.7%) higher than a year ago. The spot price fell by 14.0 cents this week and is at \$2.003 /gal, 12.2 cents (6.5%) above last year. Prices are about half of their 2008 peaks. Retail prices rose by 5.9 cents this week as they reacted to earlier crude price increases. At \$2.759/gal, retail prices are 23.6 cents (9.4%) above a year ago but are \$2.007 (42.1%) below their 2008 peak price. The highest price in this week's survey was \$3.299 and the lowest was \$2.349. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
10-Aug-09	2.723	3.099	2.490	2.498	2.999	2.099	2.513	2.649	2.379
12-Jul-10	2.839	3.299	2.340	2.682	3.199	2.329	2.673	2.880	2.440
2-Aug-10	2.838	3.199	2.400	2.670	3.199	2.199	2.678	2.850	2.480
9-Aug-10	2.902	3.299	2.500	2.736	3.199	2.349	2.745	2.970	2.550
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
10-Aug-09	2.511	2.599	2.399	2.529	2.649	2.350	2.449	2.499	2.379
12-Jul-10	2.621	2.679	2.559	2.734	2.899	2.499	2.611	2.799	2.429
2-Aug-10	2.663	2.729	2.559	2.762	2.899	2.640	2.639	2.799	2.449
9-Aug-10	2.725	2.769	2.699	2.834	2.949	2.699	2.706	2.849	2.499
	NEW HAVEN								
	AVG	HIGH	LOW						
10-Aug-09	2.447	2.749	2.099						
12-Jul-10	2.641	2.899	2.359						
2-Aug-10	2.636	2.849	2.390						
9-Aug-10	2.674	2.899	2.390						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning August 9, 2010. Figures reflect per gallon prices without discount.

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories increased by 2.3 million barrels this past week. This was more than twice the 5-year average gain of 1.1 million. Increased production and weaker demand offset a decline in imports. Over the past 21 weeks inventories have grown by 32.3 million barrels, 15% above the 5-year average gain of 28.0 million for the time period. Current storage levels now trail last year's levels by 17.2% and are 1.9% below the 5-year average.

Spot propane prices fell by 2.4 cents this past week as they followed crude oil prices downward. Prices have fallen by 36.6 cents (25%) since the beginning of the year. At \$1.081 per gallon yesterday, spot prices are 20.2 cents (23.0%) higher than a year ago but 45.4% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



Gasoline



Gasoline inventories rose by 409,000 barrels this past week. Although production and imports declined, demand fell even more. The increase was 4 times the expected gain and was in sharp contrast to the 5-year average decline of 2.7 million barrels. Inventories levels are 5.3% above last year and 8.6% above the 5-year average. Stocks are at their highest level ever for this date.

At \$2.072/gal, futures were down 12.0 cents for the week but are 26.8 cents (14.8%) higher than last year. At \$1.915/gal, the spot price was down 18.6 cents for the week and 3.8 cents (1.9%) lower than a year ago. Spot prices and futures prices are about 43% below their 2008 peaks. Retail prices rose by 2.3 cents this past week and by 4.5 cents over the past 3 weeks as retail prices followed previous increases in crude oil. At \$2.898/gal, retail prices are 10.2 cents (3.6%) higher than a year ago but they are 34.0% (\$1.492) below 2008's peak.

